



STATE OF NEW YORK  
DEPARTMENT OF TAXATION AND FINANCE

STATE TAX COMMISSION

POST OFFICE BOX 5048  
ALBANY, NEW YORK 12205  
TELEPHONE (518) 457-2277



ABRAM J. CUTTLER  
DIRECTOR

ADDRESS YOUR REPLY TO  
MAR 28 1977

Aleks Kurgvel  
4605 90th St.  
Elmhurst, N.Y. 11373

518-457-2260

	TAXABLE YEAR(S)		
	DEFICIENCY	INTEREST	TOTAL
1973	\$1117.83	\$254.50	\$1372.33
1974	823.44	136.53	954.97
Total	\$1941.27	\$391.03	\$2332.30

FILE NO.  
4-69006102

In accordance with the provisions of the New York State Tax Law (Articles 22 and 23), notice is given that the determination of your Personal and/or Unincorporated Business Tax liability for the above noted taxable year(s) shows a deficiency (or deficiencies) in the amount(s) shown above. The attached statement shows the computation of the deficiency or deficiencies.

IF YOU AGREE to this determination, please sign the "Consent to Findings" on one copy of this letter and return it promptly to us in the enclosed envelope. Submission of the signed consent will expedite assessment of the proposed deficiency and will limit the accumulation of interest on it. If you wish, you may pay the proposed tax and interest within 90 days from the above date without awaiting assessment by sending your payment and the signed "Consent to Findings" in the same envelope. Your remittance should be made payable to the NEW YORK STATE INCOME TAX BUREAU and sent to the address shown above. No further interest will be charged if payment is made within 90 days.

IF YOU DO NOT AGREE, and do not sign and return the consent, the deficiency or deficiencies will become an assessment after the expiration of 90 days from the date of this letter, and will be subject to collection, as required by law, unless within that time you contest this determination by filing a petition with the State Tax Commission in accordance with the provisions of Section 689 of the Tax Law. You may obtain instructions for filing a petition with the Tax Commission from the Income Tax Bureau or from any District Tax Office; ask for the "Rules of Practice" before the Commission.

Very truly yours,

Encls. Copy of this Letter  
Statement of Audit Changes  
Envelope  
Notice Concerning Petition  
to the State Tax Commission -  
Form IT-91

STATE TAX COMMISSION

BY *Abram J. Cuttler*

Abram J. Cuttler  
Director

CONSENT TO FINDINGS: Pursuant to Section 681(f) of the Tax Law, the restrictions provided in Section 681(c) of the Tax Law are waived and consent is given to the assessment and collection of the above deficiencies, together with interest on the tax as provided by law; and the above overassessments are accepted as correct.

Taxpayer \_\_\_\_\_ Date \_\_\_\_\_ Taxpayer \_\_\_\_\_  
(If a JOINT return was filed both taxpayers must sign)

IT-90 (12/74)

DECLASSIFIED AND RELEASED BY  
CENTRAL INTELLIGENCE AGENCY  
DATE  
SOURCE: METHOD OF EXEMPTION 3028  
NAZI WAR CRIMES DISCLOSURE ACT  
2006

STATE OF NEW YORK  
DEPARTMENT OF TAXATION AND FINANCE  
Income Tax Bureau  
State Campus  
Albany, N. Y. 12227  
STATEMENT OF AUDIT CHANGES

OA

3/28/77

Date

Misc. 760

ALEKS KURGVEL  
4605 90th Street  
Elmhurst, New York 11373

Assessment No. :  
Taxable Year(s) : 1973 & 1974  
File Number : 4-69006502  
S.S. No. Taxpayer : 578-54-6786  
S.S. No. Spouse :  
DIVISION NO. : 50-42C

## Explanation:

Based on the decision of the State Tax Commission dated March 5, 1973, for the tax years 1962, 1963, 1964 and 1965, you are domiciled in New York State, maintain a permanent place of abode in New York State and spend more than 30 days within New York State. Therefore, you are subject to New York State personal income tax as a resident.

	1973	1974
New York income	\$19,189.58	\$16,474.95
Standard deduction	363.85	581.13
Balance	\$18,825.73	\$15,893.82
Exemptions	1,300.00	1,300.00
Taxable income	\$17,525.73	\$14,593.82

PERSONAL INCOME TAX DUE	\$1,117.83	\$823.44	\$1,941.27
-------------------------	------------	----------	------------

Interest	391.03
Total Due	\$2,332.30

RWS:dc

Interest  
TOTAL DUE

CONSENT TO FINDINGS: Pursuant to Section 681 (f) of the Tax Law, the restrictions provided in Section 681 (c) of the Tax Law are waived and consent is given to the assessment and collection of the above deficiencies, together with interest on the tax as provided by law; and the above overassessments are accepted as correct. (If a JOINT return was filed both taxpayers must sign)

Taxpayer \_\_\_\_\_ Date \_\_\_\_\_ Taxpayer \_\_\_\_\_ Date \_\_\_\_\_

*State of New York - Department of Taxation and Finance*

**NOTICE CONCERNING PETITION TO THE STATE TAX COMMISSION  
FOR REDETERMINATION OF A DEFICIENCY**

*If you decide to file a petition to the State Tax Commission, an original and two conformed copies should be prepared and filed in accordance with the Rules of Practice before the Commission. A copy of these rules and a mailing envelope for the petition may be obtained free upon request at any District Office of this Department.*

*The petition must be filed within 90 days after the mailing of the notice of deficiency (enclosed herewith). If the notice is addressed to a person outside the United States, the time allowed is 150 days.*

*A petition filed by mail should be addressed to: State Tax Commission, Hearing Unit, Post Office Box No. 5028, Albany, New York, 12205. A petition filed personally should be delivered to the Hearing Unit of this Department, whose offices are in the Taxation and Finance Building at the State Campus Site, Albany, New York.*

**CONFIDENTIAL**

*C 444 Top right*  
In Duplicate.

FROM Aleks Kurgvel (Through Immediate Supervisor) 13 February 1974.  
TO The Director of the Agency  
SUBJECT REQUEST FOR FINANCIAL AND LEGAL HELP in connection with my  
troubles with the New York State Personal Income Taxes.

REFERENCES - My oral reports to the Immediate Supervisors at different times  
between 1965 and 1973, and my letter dated 18/20 June 1973.

Sir,

My struggle with the New York State Tax Commission has cost me up to now  
in fees to the legal advisers and different connected expenses over the period  
of nine years more than . . . . . \$ 1,400.-

Unable to carry on this struggle and the augmenting costs of it, I paid  
to the Tax Commission for the years 1962-1965 under protest. . . . . \$ 1,143.46  
this sum including the taxes and the interest .  
I hoped that by paying this amount the matter will be closed.

But I erred. Early in January I received two notices of deficiency  
in taxes, both dated 28 December 1973, with the last date to consent or  
to contest the findings being 27 March 1974.

According to those two notices I allegedly owe taxes and interests  
for the years 1966 - 1969 . . . . . \$ 2,414.76  
and for the years 1970 - 1972, including also a fine of \$ 217.34, \$ 2,384.43

My legal advisers are warning me that in addition to those charges  
by the N.Y. State there probably will soon come charges for taxes from  
the New York City for the years 1966-1972, because the State and the  
City are working in close contact. According to my estimate this  
charge will be very close to \$ 1,000.-, including taxes and interests, \$ 1,000.-  
but no fines, in the hope that the latter will not be charged if I  
will pay the taxes and the interests on my own initiative very soon.

Thus, the sum of past and imminent expenses is \$ 8,342.65

Up to now I have received returned by the District of Columbia  
tax authorities the taxes which I paid for the years 1963 and 1964,  
together with interests on them . . . . . \$ 512.47.  
There is a possibility to recover from the D.C. the taxes  
which I paid for 1970-1972 and the interests, approximately \$2100.-

Recoverable sum . . . \$ 2,612.47 ... 2,612.47

Difference \$ 5,729.18

Unfortunately, it is further probable that if I "consent" to the  
present findings of the N.Y. State Tax Commission about the taxes for  
1966 - 1972, then additional charges will be brought for the taxes  
for 1953 - 1961. I have no precise datae available on the basis of  
which to calculate the exact amount of this probable charge. In view  
of the interests involved, for up to 20 years, the amount will be  
high, possibly passing . . . . . \$ 5,000.-

Approximate rounded up Sum Total . . . \$ 11,000.-

**CONFIDENTIAL**

CONFIDENTIAL

Kurgvel to The Director, page 2.

In 1953, when the Agency brought me from Germany to Washington, D.C., I was ordered to leave my family in New York because this was necessary in view of the special character of my work. I was advised to make Washington my residence because this would be profitable for me since there was no income tax introduced in Washington then. That I really wanted to bring my family to Washington, when there was no more objection to this by the Agency, is evidenced by my repeated requests to my supervisors for help to find a job for my wife here and to keep a sum for the expenses of my family's transfer to Washington in my job contracts.

Evidently none of my supervisors knew to warn me not to go to New York for more than 29 days per year. Thus I, eager to help my family, went there when I had some days off, more than 30 days per year. Besides of this I have been sent to New York on many occasions for non-paid TDY trips. The voluntary agreement for those TDYs seemed to be agreeable for both sides - the Agency got some work done there without extra costs, and I could work at the house which I and my wife had bought there, using the evening hours. Now these days are being held by the N.Y. State Tax Committee against me as a proof of me being a domiciliary of New York.

The specialists in income tax matters of New York State have explained to me that the N.Y. State tax authorities will use every technicality of law which they will find being against me. Those specialist studied my situation and found that there is not much chance for me to win when going to court with the Tax Commission, and even if winning the case this would cost me much money, perhaps even more than the difference between the charged amount and the sum which could be retrieved from the District of Columbia.

According to those specialists the only way which could help me, is if I had somebody who has good approach to the top men of the N.Y. State Tax Commission, to present the matter to the latter in the real light of the human drama involved and the capriciousness of the arguments of the Tax Commission used in the "Findings" concerning 1962-1965 and applied now for 1966-1972. But I was warned that this also would cost me much money if using the help of such specialists. As an example of the costs be it mentioned that the gentleman who gave me this information and advise charged \$ 50 per every half of an hour which he was busy with me, - the bill was \$ 275.-...

I joined the Agency out of my sense of duty as an Estonian commissioned officer when the word came that the help of such an officer was needed and that I was chosen for this job. I dare to say that during the more than 22 years with the Agency, first in Germany, then here and on TDY trips abroad, I have worked honestly, and putting in very long hours when the job required this, although I often was not paid for overtime and only partially received compensatory time off. I hope that my present and past supervisors will testify to the truth of this, if asked.

Now encountered with the unexpected and by my understanding unjustified claim for double or second state income taxes after I have honestly paid those in the District of Columbia, and when the possibilities to recover those taxes from the D.C. have been partially lost mostly due to the delay caused by the N.Y. State authorities, I feel compelled to ask for your help, either by

- providing me with means to pay the present and the future costs according to the figures brought on the first page of this letter, or
- settling the matter with the New York State Tax Commission in a way proper for the Agency, with the effect that the N.Y. State Tax Commission will withdraw

CONFIDENTIAL

**CONFIDENTIAL**

Kurgvel to The Director, page 3.

its Findings of Deficiencies in Taxes for the years which I have been working and living in Washington, D.C. and paying taxes here, and that this matter will be closed forever without prejudice or what it is being called in judiciary terms, that a higher level could not take it up anew like it happened in my settlement case in an earlier stage.

I hope that I have deserved your benevolent consideration of this case.

May I add that I need some answer early enough for answering the claim of the N.Y. State Tax Commission and to request the reimbursement of taxes paid to the District of Columbia for the years 1970 - 1972, if this will be necessary. This must be made before 27-th March. Also, the preparation of my income tax returns will depend of your decision and the results of the steps which will be taken in accordance with your decision. As known, these must be filed before April 15.

Respectfully yours,

*Alex Kurgvel*  
Alex Kurgvel

ENCLOSED

Materials for eventual closer study of this matter, as listed on separate sheet.

**CONFIDENTIAL**

# CONFIDENTIAL

THE LIST OF ENCLOSURES  
to Aleks KURGVEL's letter to The DIRECTOR of the AGENCY  
dated 13 February 1974

Copies of

- 1) the letter of the N.Y. State Tax Commission's Hearing Officer Mr. Paul B. COBURN to Aleks and Salme KURGVEL, dated March 5, 1973 and the Decision of the State Tax Commission forwarded with this letter. ( 7 sheets )
- 2) the letter of Aleks KURGVEL to Paul B. COBURN, Hearing Officer, dated June 01, 1973. ( 1 sheet )
- 3) the letter of State of New York Dept. of Taxation and Finance Law Bureau, dated June 12, 1973. ( 1 sheet )
- 4) FINDINGS, COMMENTS and CORRECTIONS ... by Aleks KURGVEL, dated 19 June 1973 ( 7 sheets )
- 5) the letter of Aleks KURGVEL to The Immediate Supervisor, dated 18/20 June. 1973. ( 1 sheet )
- 6) the Transcript of the FORMAL HEARING on December 14, 1972 in the Matter of the Petition of Aleks and Salme KURGVEL for Redetermination of Deficiency ..... (36 sheets)
- 7) the letter of Aleks KURGVEL to Paul B. COBURN, Esq, dated 02 July 1973 ( 2 sheets )
- 8) the letter of Aleks KURGVEL to The Internal Revenue Service, (without date, sent in September or early October, 1973) (1 sheet)
- 9) the answer to the above letter (8) by the Internal Revenue Service, dated 28 Nov 1973 ( 3 sheets )
- 10) the letter of Aleks KURGVEL to the District of Columbia Tax Audit and Liability Division, dated 22 Oct 1973. ( 1 sheet )
- 11) the answer to the above (10) and another earlier letter, Date of the answer - October 31, 1973. ( 1 sheet )
- 12) N. Y. State Dept. of Taxation and Finance, State Tax Commission. the Findings of Deficiencies, taxable years 1966 - 1969, dated 28 December 1973. ( 3 sheets )
- 13) The same as above (12), for the years 1970 - 1972. ( 2 sheets )

\*\*\*\*\*

# CONFIDENTIAL